



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

October 19, 1983

Mr. Thomas M. Nielson, President
Minerals West, Inc.
P. O. Box 277
Moniticello, Utah 84535

RE: Final Approval and Suspension
of the Mi Vida Mines
Minerals West, Inc.
ACT/037/028
San Juan County, Utah

Dear Mr. Nielson:

Steps toward the final approval of the Mi Vida Mine are now complete. The Division acknowledged receipt of the original copy of the Escrow Agreement (in its entirety) for the Mi Vida Mine on May 12, 1983. Subsequent correspondence through out the summer which was finally culminated by your letter of September 2, 1983 has completed the concerns developed by the on-site inspection performed by the Division on last April 7, 1983. As you have stated in the letter and reaffirmed by telephone October 18, 1983 the caved drill hole was filled in and the shaft was fenced at the upper pad area of the main canyon mine site.

Therefore pursuant to Title 40-8-13 of the Utah Mined Land Reclamation Act of 1975, UCA 1953(the Act) the Division of Oil, Gas & Mining issues final approval to Minerals West, Inc. for operation of the Mi Vida Mine in San Juan County, Utah.

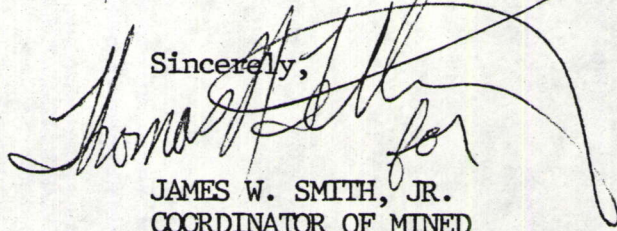
Furthermore, pursuant to Title 40-8-21 and Rule M-7 of the Act a two year period suspension is extended from the date of this letter.

Referring to your letter of August 17, 1983, should the Rio Algom Corporation wish to recommence mining activities a notice to the Division within 30 days is requested pursuant to Title 40-8-15 of the Act. Also please be aware that unless a transfer to the successor operator will be performed pursuant to Title 40-8-19 of the Act Minerals West, Inc. will still retain the liability for reclamation of the property and for compliance with the Act.

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Thank you for your patience and attendance to the regulatory processes.
If any changes occur in the designs for the mine plan please contact Tom
Tetting at the Division.

Sincerely,

A handwritten signature in dark ink, appearing to read "James W. Smith, Jr.", with a large, sweeping flourish extending from the end of the signature.

JAMES W. SMITH, JR.
COORDINATOR OF MINED
LAND DEVELOPMENT

JWS/jvb

cc: Tom Tetting, DOGM
Mr. M. D. Lawton
Rio Algon Corporation
La Sal Route
Moab, Utah 84532